

## 2008 Legislation

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**LB 777. Redefines agricultural and horticultural land and became effective on July 18, 2008, with an operative date of January 1, 2009.**

**Section 1.** Amends section 77-1359 to require any land associated with any building or enclosed structure located on a parcel will not be considered agricultural and horticultural land. The remaining land on the parcel after the exclusion of the land associated with the buildings must be primarily used for agricultural and horticultural purposes in order to be valued as agricultural or horticultural land.

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**LB 895. For property tax purposes, this bill added another tier that allows further personal property tax exemptions based upon certain investment and employment requirements. The bill contained an emergency clause and became effective April 18, 2008**

**Section 16.** Amends section 77-5725 to create tier 6 which requires an investment in qualified property of at least ten million dollars and the hiring of at least seventy-five new employees or the investment of at least one hundred million dollars and the hiring of at least fifty new employees. If the requirements are met, then all taxable tangible personal property in the project will be exempt.

Tier 5 was amended to allow any taxpayer who has project for a web portal and qualifies for tier 5 will be entitled to a taxable tangible personal property exemption for their computer system.

**Section 17.** Amends section 77-5726 to allow the taxpayer to receive reimbursement for their real estate taxes paid from the credits earned for a tier 6 project. Reimbursement for real estate taxes paid in a tax increment financing project will not be allowed.

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**LB 965. This bill was the Property Assessment Division's cleanup legislation and contained the emergency clause and became effective April 15, 2008, except that section 1 became operative on January 1, 2009.**

**Section 1.** Amends section 76-214 to require the Real Estate Transfer Statement (Form 521) to be single copy rather than multi copy form.

**Section 2.** Amends section 77-115 to provide the Property Tax Administrator the same authority as an elected assessor.

**Sections 3 thru 7.** Amend sections 77-1201 thru 77-1219 to insert the word "taxable".

**Section 8.** Amends section 77-1230 to provide due process if a taxpayer discovers that a return or returns are incorrect and the assessors responsibility to send notice of accepting or denying an amended return.

**Sections 9 thru 13.** Same as sections 3 thru 7 above.

**Section 14.** Amends section 77-1345.01 to clarify language and establish due process for failure of the taxpayer to receive notice that prevented timely filing of a protest or appeal to the County Board of Equalization or the Tax Equalization and Review Commission.

**Section 15.** Amends section 77-1502 and provides that protests relating to personal property are due on or before June 30, which is the same as protests on real property.

**Section 16.** Amends section 77-1504.01 allowing additional adjustments to property already adjusted by the County Board of Equalization so that the additional adjustments are equal to the Tax Equalization and Review Commission's ordered adjustments.

**Sections 17 and 18.** Provides that whenever a taxpayer files an amended personal property return because of an amended income tax return or a correction is made to an income tax return which results in a decrease to the Nebraska adjusted basis the taxpayer is entitled to a refund on the tax paid.

The taxpayer will now be allowed refunds for up to three years after filing an amended return, rather than two years.

**Section 19.** Amends section 77-4105 to provide a date change from August 10 to August 1 for the certification to the county assessor by the Tax Commissioner of the exempt value under the Employment and Investment Growth Act.

**Sections 20 and 21.** Tax Equalization and Review Commission changes.

**Section 22.** Amends section 77-5725 to provide a date change from August 10 to August 1 for the certification to the county assessor by the Tax Commissioner of the exempt value under the Nebraska Advantage Act.

**Section 23.** Tax Equalization and Review Commission changes.

**Section 27.** Repeals section 77-202.13. This section required the county assessor to file a report every fourth year with the Property Tax Administrator and the county board showing all the property owned by the state of Nebraska and the governmental subdivisions and which of those are paying property taxes.

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**LB 988.** This bill changed the dates in the freeholder petition process and the requirements of the Property Tax Administrator in calculating the school adjusted values for state aid to schools. The bill contained the emergency clause and became effective April 3, 2008.

**Section 4.** Amends section 79-458 and requires the board to hold a public hearing on or before July 15 rather than November 1 following the filing of the petition. The effective date will be August 15 following the year in which the petition was filed. By doing this the transfer of land from one school district to another will be in effect for levy setting in the district to which transferred.

**Section 39.** Amends section 79-1016 and requires the Property Tax Administrator to adjust the taxable value of each school district for state aid purposes. For real property other than agricultural and horticultural land the adjustment shall be to ninety-six percent of actual value. For agricultural and horticultural land the adjustment shall be to seventy-two percent of actual value.

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**LB 1027. Provides a personal property exemption for the beginning farmer and became effective July 18, 2008.**

**Section 1.** Amends section 77-202 to provide the beginning farmer exemption.

Section 4. Requires the beginning farmer to apply for exemption to the county assessor on or before December 31 of the year preceding the exemption. The exemption will run for three years. The applicant shall furnish certification from the beginning farmer board at the time of application.

The county assessor shall either deny or approve the application and notify the applicant of his or her decision. The applicant may protest the assessor's determination to the County Board of Equalization. The applicant may appeal the County Board of Equalization determination to the Tax Equalization and Review Commission.

The total amount of exempt taxable personal property shall not exceed one hundred thousand dollars in any one year.

Any beginning farmer whose agricultural and horticultural machinery has been exempted from personal property tax pursuant to this legislation shall be disqualified from any further exemption of agricultural or horticultural machinery and equipment.